

102. Is the post-audit practised in the Post Office?—I should say so, distinctly.

103. Is there any reason for having these two separate systems of post- and pre-audit in the accounts of the Post Office?—Not so far as my idea is concerned.

104. Now, what is the limit so far as the Post Office is concerned? So long as they attach this requisition to the vote of some department over which they have some control they can requisition for any amount that is covered by the votes?—Yes. The limit of the requisition would be the available balance of the vote. That is the unfortunate feature, and one of the causes why we are not always able to satisfy the wants of the Post Office.

105. And when you said you would hesitate if the request amounted to £100,000, did you suggest that you would hesitate if the balance of the votes unexpended amounted to that?—Well, I should hesitate to issue the money without some explanation as to why such abnormal sums were asked for. Other than that I should not consider it my duty to make any inquiry about it. If it was covered by the vote, and if it passed the audit—these requisitions have to be audited first—it is my duty to issue the money.

106. It is not your concern whether the requisitions are large or small, provided they are legal requisitions?—That is so.

107. And, therefore, the fact of having paid other requisitions, large or small, could not influence you in delaying a legal requisition?—Not on that aspect of the case.

108. *Hon. J. G. Ward.*] Have you stated in your evidence what the total annual appropriations of all the departments issued by the Treasury by way of imprest are for 1898?—No, but I can tell you what it is.

109. What is the amount?—Close upon three millions of money.

110. Is the Treasury in the habit of considering the loss of interest upon any imprests issued to any of the other departments?—No.

111. So that I understand the assumed loss of £6,000 odd in the case of the Post Office to which you refer would be exceptional if you were to refer to that as a loss to the Treasury?—Yes. My idea in referring to that is simply because these large sums being in debit to this account is a loss to the interest-earning of the Public Account. If we were paying the Post Office requirements in the ordinary course the outgoing would not be represented by this large debit balance.

112. If that system were in operation, I take it you would also require to credit the Post Office, or any other department, with interest on amounts paid into the Treasury?—No. If you talk about that, we are losing more money by revenue being paid to them not speedily reaching the Public Accounts.

113. At any rate, you are not in the habit of debiting loss of interest to any of the departments?—No. The figures referring to loss of interest were merely computed in support of my contention in regard to the present system as against the old system—that is all.

114. Were there any representations made by the Audit Department before this tag was appended to the Postal Account?—No, I do not remember any.

115. Do you agree with the opinion expressed by the Auditor-General in that tag?—Yes, I think he is correct there.

116. *Right Hon. R. J. Seddon.*] Have you looked up the details on the requisition as to what votes are charged in the £33,000?—No, I have not.

117. You could not tell what votes were charged or what was the condition of the votes?—No.

118. It is the duty of the Audit and Treasury to see that the votes are in credit to which these payments are charged?—Yes, it is part of the control.

119. Would the end of the year in the Postal Department make any difference in the financial year as to the votes?—No, not necessarily.

120. Are there occasional delays in getting things through the Audit?—I should say not in respect to the postal requisitions.

121. You have not looked up the requisition to see the date on which it was sent by the Treasury to the Audit Department?—No, I have not looked up that. The Post Office would send the requisition to the Audit Office themselves. It comes from the Audit to us.

122. Say a requisition was made on the 30th December, when would it reach you? What time was business being attended to on that date?—I should say I was in the office on that date.

123. How long are the offices closed at the new year?—They were closed from the Friday until the Tuesday.

124. And the requisition was met on the 10th?—Yes.

125. Money is an object in respect of these requisitions, is it not?—Yes, that is a very important factor.

126. *Mr. McNab.*] Supposing at any period of the year a requisition came from the Post Office for moneys in the Treasury, and it so happened that the money was not in the Treasury at the time, although it might be there in a week or two after; what provision have you for meeting demands like that?—None at all, unless we have the money.

127. Have you no provision for getting the money?—We might borrow it.

128. On Treasury bills?—Yes.

129. At the time this requisition came in, had the full amount of Treasury bills been issued?—Certainly not.

130. There was plenty of margin?—Yes, plenty of margin.

131. *Mr. Duthie.*] You do not suggest that you were short of money to pay the amount of this requisition?—No.

132. Or short of available money?—No.